

SECOND REGULAR SESSION

[TRULY AGREED TO AND FINALLY PASSED]

CONFERENCE COMMITTEE SUBSTITUTE FOR

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1711

91ST GENERAL ASSEMBLY

3884L.08T 2002

AN ACT

To repeal sections 108.140, 160.011, 160.051, 160.518, 160.530, 161.092, 163.011, 163.036, 166.260, and 168.400, RSMo, and to enact in lieu thereof fourteen new sections relating to state school aid.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 108.140, 160.011, 160.051, 160.518, 160.530, 161.092, 163.011, 163.036, 166.260, and 168.400, RSMo, are repealed and fourteen new sections enacted in lieu thereof, to be known as sections 82.293, 108.140, 160.011, 160.051, 160.518, 160.530, 160.531, 160.720, 161.092, 163.011, 163.036, 166.260, 168.400, and 170.014, to read as follows:

82.293. 1. Absent explicit statutory authority, no constitutional charter city with more than seventy thousand five hundred but less than seventy-one thousand inhabitants located at least in part within a county of the first classification with more than eighty-two thousand but less than eighty-two thousand one hundred inhabitants shall enact any ordinance, regulation, or resolution that would impose a surcharge or other fee to compensate any political subdivision organized pursuant to chapter 162, RSMo.

2. If any provision of this section or the application thereof to anyone or to any circumstances is held invalid, the remainder of section A of this act and the application of such provisions to others or other circumstances shall not be affected thereby.

108.140. 1. The various counties in this state for themselves, as well as for and on behalf of any township, or other political subdivision for which the counties may have issued any general obligation bonds, and the several cities, school districts or other political corporations or subdivisions of the state, are hereby authorized to refund, extend, and unify the whole or part of their valid general obligation bonded indebtedness, or judgment indebtedness, and for such purpose may issue, negotiate, sell and deliver refunding general obligation bonds and with the proceeds therefrom pay off, redeem and cancel the bonds to be refunded in advance of their maturity or redemption or as the same mature or are called for redemption, or pay and cancel such judgment indebtedness, or such refunding general obligation bonds may be issued and delivered in exchange for and upon surrender and cancellation of the bonds refunded thereby, or such judgment indebtedness. **School districts may pay costs and expenses related to issuing such refunding general obligation bonds from proceeds from the sale of such bonds.** In no case shall the refunding general obligation bonds exceed the amount of the principal of the outstanding bond or judgment indebtedness to be refunded and the interest accrued thereon to the date of such refunding bonds. No refunding bond issued as provided in this subsection shall be payable in more than twenty years from the date thereof and such refunding bonds shall bear interest not to exceed the same rate as the bonds refunded, or judgment indebtedness; provided, that nothing in this section shall be so construed as to prohibit any county, city, school

district, or other political corporation or subdivision of the state from refunding its general obligation bonded indebtedness without the submission of the question to a popular vote.

2. The various counties in this state for themselves, as well as for and on behalf of any township, or other political subdivision for which the counties may have issued any revenue bonds, notes or other obligations, and the several cities, school districts or other political corporations or subdivisions of the state, are hereby authorized to refund, extend, and unify the whole or part of their valid outstanding revenue bonds, notes or other obligations, and for such purpose may issue, negotiate, sell and deliver refunding revenue bonds, notes or other obligations and with the proceeds therefrom pay off, redeem and cancel the obligations to be refunded in advance of their maturity or redemption or as the same mature or are called for redemption, or such refunding revenue bonds, notes or other obligations may be issued and delivered in exchange for and upon surrender and cancellation of the obligations refunded thereby. In no case shall the refunding revenue bonds, notes or other obligations exceed the amount determined by the governing body of the issuing political corporation or subdivision to be necessary to pay or provide for the payment of the principal of the outstanding obligations to be refunded, together with the interest accrued thereon to the date of such refunding obligations and the interest to accrue thereon to the date of maturity or redemption of such obligations to be refunded and any premium which may be due under the terms of such obligations to be refunded and any amounts necessary for the payment of costs and expenses related to issuing such refunding obligations and to fund a debt service reserve fund for the obligations. All such refunding revenue bonds, notes or other obligations shall bear interest at such rates as the governing body of the issuing political subdivision shall provide, which rates of interest may exceed the rates of interest on the obligations being refunded but shall not exceed the maximum legal rate established by section 108.170. The refunding revenue bonds, notes or other obligations may be payable from the same sources as were pledged to the payment of the obligations refunded and, in the discretion of the governing body of the issuing political subdivision, may be payable from any other source which may be pledged to

the payment of revenue bonds, notes or other obligations under any provision of law relating to the issuance of the obligations refunded. Nothing in this section shall be so construed as to prohibit any county, city, school district, or other political corporation or subdivision of the state from refunding its revenue bonded indebtedness without the submission of the question to a popular vote.

160.011. As used in chapters 160, 161, 162, 163, 164, 165, 167, 168, 170, 171, 177 and 178, RSMo, the following terms mean:

(1) "District" or "school district", when used alone, may include seven-director, urban, and metropolitan school districts;

(2) "Elementary school", a public school giving instruction in a grade or grades not higher than the eighth grade;

(3) "Family literacy programs", services of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in families that include:

(a) Interactive literacy activities between parents and their children;

(b) Training of parents regarding how to be the primary teacher of their children and full partners in the education of their children;

(c) Parent literacy training that leads to high school completion and economic self sufficiency; and

(d) An age-appropriate education to prepare children of all ages for success in school;

[(3)] **(4)** "Graduation rate", the quotient of the number of graduates in the current year as of June thirtieth divided by the sum of the number of graduates in the current year as of June thirtieth plus the number of twelfth graders who dropped out in the current year plus the number of eleventh graders who dropped out in the preceding year plus the

number of tenth graders who dropped out in the second preceding year plus the number of ninth graders who dropped out in the third preceding year;

[(4)] **(5)** "High school", a public school giving instruction in a grade or grades not lower than the ninth nor higher than the twelfth grade;

[(5)] **(6)** "Metropolitan school district", any school district the boundaries of which are coterminous with the limits of any city which is not within a county;

[(6)] **(7)** "Public school" includes all elementary and high schools operated at public expense;

[(7)] **(8)** "School board", the board of education having general control of the property and affairs of any school district;

[(8)] **(9)** "School term", a minimum of one hundred seventy-four school days, as that term is defined in section 160.041, and one thousand forty-four hours of actual pupil attendance as scheduled by the board pursuant to section 171.031, RSMo, during a twelve-month period in which the academic instruction of pupils is actually and regularly carried on for a group of students in the public schools of any school district. A "school term" may be within a school year or may consist of parts of two consecutive school years, but does not include summer school. A district may choose to operate two or more terms for different groups of children;

[(9)] **(10)** "Secretary", the secretary of the board of a school district;

[(10)] **(11)** "Seven-director district", any school district which has seven directors and includes urban districts regardless of the number of directors an urban district may have unless otherwise provided by law;

[(11)] **(12)** "Taxpayer", any individual who has paid taxes to the state or any subdivision thereof within the immediately preceding twelve-month period or the spouse of such individual;

[(12)] **(13)** "Town", any town or village, whether or not incorporated, the plat of which has been filed in the office of the recorder of deeds of the county in which it is situated;

[(13)] **(14)** "Urban school district", any district which includes more than half of the population or land area of any city which has not less than seventy thousand inhabitants, other than a city which is not within a county.

160.051. 1. A system of free public schools is established throughout the state for the gratuitous instruction of persons between the ages of five and twenty-one years. Any child whose fifth birthday occurs before the first day of August shall be deemed to have attained the age of five years at the commencement of the school year beginning in that calendar year or at the commencement of the summer school session immediately prior to the school term beginning in the school year beginning in that calendar year, whichever is earlier, for the purpose of apportioning state school funds and for all other purposes.

2. Public schools may establish family literacy programs for children of all ages and their families.

[2.] **3.** The department of elementary and secondary education shall not use school for kindergarten pupils in the summer preceding such pupils' regular fall starting date as an element of the standards of the Missouri school improvement program.

160.518. 1. Consistent with the provisions contained in section 160.526, the state board of education shall develop a statewide assessment system that provides maximum flexibility for local school districts to determine the degree to which students in the public schools of the state are proficient in the knowledge, skills and competencies adopted by such board pursuant to subsection 1 of section 160.514. The statewide assessment system shall assess problem solving, analytical ability, evaluation, creativity and application ability in the different content areas and shall be performance-based to identify what students know, as well as what they are able to do, and shall enable teachers to evaluate actual academic performance. The assessment system shall

neither promote nor prohibit rote memorization and shall not include existing versions of tests approved for use pursuant to the provisions of section 160.257, nor enhanced versions of such tests. The statewide assessment shall measure, where appropriate by grade level, a student's knowledge of academic subjects including, but not limited to, reading skills, writing skills, mathematics skills, world and American history, forms of government, geography and science.

2. The assessment system shall only permit the academic performance of students in each school in the state to be tracked against prior academic performance in the same school.

3. The state board of education shall suggest criteria for a school to demonstrate that its students learn the knowledge, skills and competencies at exemplary levels worthy of imitation by students in other schools in the state and nation. "Exemplary levels" shall be measured by the assessment system developed pursuant to subsection 1 of this section, or until said assessment is available, by indicators approved for such use by the state board of education. The provisions of other law to the contrary notwithstanding, the commissioner of education may, upon request of the school district, present a plan for the waiver of rules and regulations to any such school, to be known as "Outstanding Schools Waivers", consistent with the provisions of subsection 4 of this section.

4. For any school that meets the criteria established by the state board of education for three successive school years pursuant to the provisions of subsection 3 of this section, by August first following the third such school year, the commissioner of education shall present a plan to the superintendent of the school district in which such school is located for the waiver of rules and regulations to promote flexibility in the operations of the school and to enhance and encourage efficiency in the delivery of instructional services. The provisions of other law to the contrary notwithstanding, the plan presented to the superintendent shall provide a summary waiver, with no conditions, for the pupil testing requirements pursuant to section 160.257, in the school. Further, the provisions

of other law to the contrary notwithstanding, the plan shall detail a means for the waiver of requirements otherwise imposed on the school related to the authority of the state board of education to classify school districts pursuant to subdivision (9) of section 161.092, RSMo, and such other rules and regulations as determined by the commissioner of education, excepting such waivers shall be confined to the school and not other schools in the district unless such other schools meet the criteria established by the state board of education consistent with subsection 3 of this section and the waivers shall not include the requirements contained in this section and section 160.514. Any waiver provided to any school as outlined in this subsection shall be void on June thirtieth of any school year in which the school fails to meet the criteria established by the state board of education consistent with subsection 3 of this section.

5. The score on any assessment test developed pursuant to this section or this chapter of any student for whom English is a second language shall not be counted until such time as such student has been educated for three full school years in a school in this state, or in any other state, in which English is the primary language.

6. The state board of education shall identify or, if necessary, establish one or more developmentally appropriate alternate assessments for students who receive special educational services, as that term is defined pursuant to section 162.675, RSMo. In the development of such alternate assessments, the state board shall establish an advisory panel consisting of a majority of active special education teachers and other education professionals as appropriate to research available assessment options. The advisory panel shall attempt to identify preexisting developmentally appropriate alternate assessments but shall, if necessary, develop alternate assessments and recommend one or more alternate assessments for adoption by the state board. The state board shall consider the recommendations of the advisory council in establishing such alternate assessment or assessments. Any student who receives special educational services, as that term is defined pursuant to section 162.675, RSMo, shall be assessed by an alternate assessment established pursuant to this subsection upon a determination by the student's individualized education program team that such

alternate assessment is more appropriate to assess the student's knowledge, skills and competencies than the assessment developed pursuant to subsection 1 of this section. The alternate assessment shall evaluate the student's independent living skills, which include how effectively the student addresses common life demands and how well the student meets standards for personal independence expected for someone in the student's age group, sociocultural background, and community setting.

160.530. 1. Beginning with fiscal year 1994 and for all fiscal years thereafter, in order to be eligible for state aid distributed pursuant to section 163.031, RSMo, a school district shall allocate one percent of moneys received pursuant to section 163.031, RSMo, exclusive of categorical add-ons, to the professional development committee of the district as established in subdivision (1) of subsection 4 of section 168.400, RSMo. Of the moneys allocated to the professional development committee in any fiscal year as specified by this subsection, seventy-five percent of such funds shall be spent in the same fiscal year for purposes determined by the professional development committee after consultation with the administrators of the school district and approved by the local board of education as meeting the objectives of a school improvement plan of the district that has been developed by the local board. Moneys expended for staff training pursuant to any provisions of this act shall not be considered in determining the requirements for school districts imposed by this subsection.

2. Beginning with fiscal year 1994 and for all fiscal years thereafter, ninety percent of one percent of moneys appropriated to the department of elementary and secondary education otherwise distributed to the public schools of the state pursuant to the provisions of section 163.031, RSMo, exclusive of categorical add-ons, shall be distributed by the commissioner of education to address statewide areas of critical need for learning and development as determined by rule and regulation of the state board of education with the advice of the commission established by section 160.510 and the advisory council provided by subsection 1 of section 168.015, RSMo. The moneys described in this subsection may be distributed by the commissioner of education to colleges, universities, private associations, professional education associations,

statewide associations organized for the benefit of members of boards of education, public elementary and secondary schools, and other associations and organizations that provide professional development opportunities for teachers, administrators, **family literacy personnel** and boards of education for the purpose of addressing statewide areas of critical need, provided that subdivisions (1), [and] (2) and (3) of this subsection shall constitute priority uses for such moneys. "Statewide areas of critical need for learning and development" shall include:

(1) Funding the operation of state management teams in districts with academically deficient schools and providing resources specified by the management team as needed in such districts;

(2) Funding for grants to districts, upon application to the department of elementary and secondary education, for resources identified as necessary by the district, for those districts which are failing to achieve assessment standards;

(3) Funding for family literacy programs;

[(3)] **(4)** Ensuring that all children, especially children at risk, children with special needs, and gifted students are successful in school;

[(4)] **(5)** Increasing parental involvement in the education of their children;

[(5)] **(6)** Providing information which will assist public school administrators and teachers in understanding the process of site-based decision making;

[(6)] **(7)** Implementing recommended curriculum frameworks as outlined in section 160.514;

[(7)] **(8)** Training in new assessment techniques for students;

[(8)] **(9)** Cooperating with law enforcement authorities to expand successful antidrug programs for students;

~~[(9)]~~ **(10)** Strengthening existing curricula of local school districts to stress drug and alcohol prevention;

~~[(10)]~~ **(11)** Implementing and promoting programs to combat gang activity in urban areas of the state;

~~[(11)]~~ **(12)** Establishing family schools, whereby such schools adopt proven models of one-stop state services for children and families;

~~[(12)]~~ **(13)** Expanding adult literacy services; and

~~[(13)]~~ **(14)** Training of members of boards of education in the areas deemed important for the training of effective board members as determined by the state board of education.

3. Beginning with fiscal year 1994 and for all fiscal years thereafter, ten percent of one percent of moneys appropriated to the department of elementary and secondary education otherwise distributed to the public schools of the state pursuant to the provisions of section 163.031, RSMo, exclusive of categorical add-ons, shall be distributed in grant awards by the state board of education, by rule and regulation, for the "Success Leads to Success" grant program, which is hereby created. The purpose of the success leads to success grant program shall be to recognize, disseminate and exchange information about the best professional teaching practices and programs in the state that address student needs, and to encourage the staffs of schools with these practices and programs to develop school-to-school networks to share these practices and programs.

160.531. 1. Beginning with fiscal year 2005 and for all fiscal years thereafter, an amount, as specified in subsection 2 of this section, of the appropriation to the department of elementary and secondary education otherwise distributed to the public schools of the state pursuant to the provisions of section 163.031, RSMo, shall be distributed by the department of elementary and secondary education to establish and

fund family literacy programs in school attendance centers declared academically deficient by the state board of education as authorized by section 160.538 or school districts declared unaccredited or provisionally accredited by the state board of education pursuant to section 161.092, RSMo.

2. The amount to be distributed by the department of elementary and secondary education to establish and fund family literacy programs pursuant to subsection 1 of this section shall be one and one-half percent of the total line 14 distribution.

3. The department of elementary and secondary education shall promulgate rules for the distribution of family literacy funds.

4. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.

160.720. 1. The department of elementary and secondary education shall identify for recognition by the governor schools demonstrating high student achievement to be designated as performance schools. In addition, the department of elementary and secondary education shall identify those waivers of administrative rule authorized under state law appropriate for the recognized school district or school. The department of elementary and secondary education shall endeavor to identify waivers of administrative rule that result in a meaningful reduction in administrative burden on the districts recognized in this section.

2. The department of elementary and secondary education shall identify priority school districts and priority schools based upon the following criteria:

(1) School attendance centers declared academically deficient by the state board of education as authorized by section 160.538;

(2) School districts declared unaccredited or provisionally accredited by the state board of education pursuant to section 161.092, RSMo; or

(3) School districts or school attendance centers that do not meet any of the accreditation standards on student performance established by the state board of education based upon the statewide assessment system authorized pursuant to section 160.518.

3. The board of education of any priority school district or priority school shall submit, as a part of a comprehensive school improvement plan, an accountability compliance statement that shall:

(1) Identify and analyze areas of deficiency in student performance by school, grade and academic content area;

(2) Provide a comprehensive strategy for addressing these areas of deficiency;

(3) Assure disclosure of these areas of deficiency in the school accountability report card required pursuant to section 160.522;

(4) Permit a metropolitan district that is implementing a program of academic improvement in a school or schools identified pursuant to a settlement agreement for a desegregation lawsuit to submit the elements of the accountability compliance statement required in subdivisions (1) to (3) of this subsection for review for possible waiver solely in regard to the schools identified for academic improvement pursuant to the settlement agreement; provided, however, that the department of elementary and secondary education shall meet with any district covered by the provisions of this subdivision prior to the district submitting any element of an accountability compliance statement, so that the department may identify elements of the settlement agreement academic improvement plan that are substantially similar to the requirements contained in this section, and the department shall advise such district if, based on its review, any further plan or reporting of such plans or elements is required; and

(5) Require school boards of each district to annually review the school discipline provisions contained in section 160.261, and sections 167.023, 167.026, 167.117,

167.161 to 167.171 and 167.335, RSMo, and ensure that the district's discipline policies are consistent with the above listed sections.

4. The comprehensive strategy for addressing areas of deficiency required pursuant to this section shall address the following areas:

(1) Align curriculum to address areas of deficiency in student achievement;

(2) Develop, for any student who is not receiving special education services under an individualized education plan pursuant to sections 162.670 to 162.699, RSMo, who is performing at a level not determined or at the lowest level of proficiency in any subject area under the statewide assessment established pursuant to section 160.518, an individual performance plan in that subject area which shall:

(a) Be developed by the teacher or teachers in consultation with the child's parent, guardian, or other adult responsible for the student's education;

(b) Outline responsibilities for the student, parent, guardian, or other adult responsible for the student's education, teachers, and administrators in implementing the plan. Such plans shall not require the level of documentation and procedural complexities of an individualized education plan pursuant to sections 162.670 to 162.699, RSMo, but shall contain sufficient detail for all parties to understand their responsibilities in the implementation of the student's performance plan;

(c) State that the student's parent, guardian, or other adult responsible for the student's education shall act in good faith to implement the student performance plan and make reasonable efforts to meet with the teacher when requested or required by the plan; and

(d) Require those students performing at a level not determined or at the lowest level of proficiency in any subject area under the statewide assessment established pursuant to section 160.518 to be provided with additional instruction time and for students in grade nine to eleven to retake the assessment;

(3) Focus state and local professional development funds on the areas of greatest academic need, including a statement relating to accessing the resources and services of the regional professional development center and support from state professional development funds;

(4) Create programs to improve teacher and administrator effectiveness;

(5) Establish school accountability councils consistent with the procedures stated in subsection 5 of section 160.538 or align any existing parent advisory council with the requirements of subsection 5 of section 160.538;

(6) Develop a resource reallocation plan for the district; and

(7) Consider the need to implement strategies pursuant to this subsection for feeder schools of any priority school.

5. The school district shall include in any program for improvement of teacher and administrator effectiveness in an accountability compliance statement policies that will:

(1) Require school administrators and teachers, including teachers who are provisionally or temporarily certified, to participate in one of the following programs of professional development:

(a) A mentoring program meeting standards established by the state board of education or supervised by an individual previously designated by the department of elementary and secondary education as a regional resource teacher;

(b) Successful completion of a training program for certification as a scorer under the statewide assessment program authorized pursuant to section 160.518; or

(c) Enrollment and making adequate progress towards national board certification;

(2) Provide one additional year of intensive professional development assistance to teachers and administrators who do not complete or make adequate progress in the professional development activities described in subdivision (1) of this subsection;

(3) Exempt from the professional development requirements accountability compliance statement as provided in subdivision (1) of this subsection any individual who:

(a) Holds qualifying scores in the appropriate professional assessment as determined by the state board of education or who elects to take and receive a qualifying score of that assessment;

(b) Holds national board certification;

(c) Is certified as a scorer under the statewide assessment program;

(d) Is designated by the department of elementary and secondary education as a regional resource teacher;

(e) Serves as a mentor teacher for one school year in a program meeting standards adopted by the state board of education; or

(f) Successfully completes an appropriate administrator academy program offered pursuant to section 168.407, RSMo;

6. Any resource reallocation plan shall include at least one of the following elements:

(1) Reduce class size in areas of academic concern;

(2) Establish full-day kindergarten or preschool programs;

(3) Establish after-school, tutoring and other programs offering extended time for learning;

(4) Employ regional resource teachers designated by the department of elementary and secondary education or national board-certified teachers, along with appropriate salary enhancements for such teachers;

(5) Establish programs of teacher home visitation to encourage parental support of student learning; and

(6) Create "school within a school" programs to achieve smaller learning communities within priority schools.

7. The state board of education shall establish by administrative rule standards to evaluate accountability compliance statements, based upon the following criteria:

(1) An accountability compliance statement shall be submitted to the department of elementary and secondary education on or before August fifteenth following any school year in which a school district meets the criteria established under subsection 2 of this section;

(2) The department of elementary and secondary education shall review and identify areas of deficiency in the plan within thirty days of receipt; and

(3) Changes to the plan shall be forwarded to the department of elementary and secondary education within thirty days of notice to the district of the areas of deficiency.

8. The department of elementary and secondary education shall withhold funds to be paid to the school district, as authorized in section 163.031, RSMo, until such time as the district submits an accountability compliance statement meeting the standards authorized pursuant to this section within the timelines established herein.

9. The department of elementary and secondary education shall develop within three years of the adoption of this section a program of administrator mentoring focusing on the need of priority schools and priority school districts and meeting standards established by the state board of education.

10. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.

11. In any school year in which the school funding formula has a proration factor on line 1(b) of less than 0.9, the provisions of subsections 2 to 9 of this section relating to priority schools and priority school districts shall not be enforced. For any school year in which funding of the school aid formula at the level stated in this subsection appears to be in doubt after all appropriations bills are truly agreed and finally passed, the house budget chair and the senate appropriations chair shall send a joint letter to the commissioner of education by August fifteenth, notifying the department of elementary and secondary education of the likelihood that funding would be below the limit stated in this subsection and requesting that the department not enforce subsections 2 to 9 of this section unless and until the department's calculations for the first "live" school aid payment of the school year show that the formula will have a proration factor on line 1(b) of no less than 0.9.

161.092. The state board of education shall:

(1) Adopt rules governing its own proceedings and formulate policies for the guidance of the commissioner of education and the department of elementary and secondary education;

(2) Carry out the educational policies of the state relating to public schools that are provided by law and supervise instruction in the public schools;

(3) Direct the investment of all moneys received by the state to be applied to the capital of any permanent fund established for the support of public education within the jurisdiction of the department of elementary and secondary education and see that the funds are applied to the branches of educational interest of the state that by grant, gift, devise or law they were originally intended, and if necessary institute suit for and collect the funds and return them to their legitimate channels;

(4) Cause to be assembled information which will reflect continuously the condition and management of the public schools of the state;

(5) Require of county clerks or treasurers, boards of education or other school officers, recorders and treasurers of cities, towns and villages, copies of all records required to be made by them and all other information in relation to the funds and condition of schools and the management thereof that is deemed necessary;

(6) Provide blanks suitable for use by officials in reporting the information required by the board;

(7) When conditions demand, cause the laws relating to schools to be published in a separate volume, with pertinent notes and comments, for the guidance of those charged with the execution of the laws;

(8) Grant, without fee, certificates of qualification and licenses to teach in any of the public schools of the state, establish requirements therefor, formulate regulations governing the issuance thereof, **including, upon an appropriate background check, provisional certification to a person who holds a valid teaching certificate from another state and has five years of teaching experience in the same school district in the curriculum area and approximate grade level in another state, providing for full certification upon the satisfactory completion of five years of teaching in Missouri public schools**, and cause the certificates to be revoked for the reasons and in the manner provided in section 168.071, RSMo;

(9) Classify the public schools of the state, subject to limitations provided by law, establish requirements for the schools of each class, and formulate rules governing the inspection and accreditation of schools preparatory to classification;

(10) Make an annual report on or before the first Wednesday after the first day of January to the general assembly or, when it is not in session, to the governor for publication and transmission to the general assembly. The report shall be for the last

preceding school year, and shall include: (a) a statement of the number of public schools in the state, the number of pupils attending the schools, their sex, and the branches taught; (b) a statement of the number of teachers employed, their sex, their professional training, and their average salary; (c) a statement of the receipts and disbursements of public school funds of every description, their sources, and the purposes for which they were disbursed; (d) suggestions for the improvement of public schools; and (e) any other information relative to the educational interests of the state that the law requires or the board deems important;

[(11)] (12) Make an annual report to the general assembly and the governor concerning coordination with other agencies and departments of government that support family literacy programs and other services which influence educational attainment of children of all ages;

[(11)] (12) Require from the chief officer of each division of the department of elementary and secondary education, on or before the thirty-first day of August of each year, reports containing information the board deems important and desires for publication;

[(12)] (13) Cause fifty copies of its annual report to be reserved for the use of each division of the state department of elementary and secondary education, and ten copies for preservation in the state library;

[(13)] (14) Have other powers and duties prescribed by law.

163.011. As used in this chapter unless the context requires otherwise:

(1) "Adjusted gross income":

(a) "District adjusted gross income per return" shall be the total Missouri individual adjusted gross income in a school district divided by the total number of Missouri income tax returns filed from the school district as reported by the state department of revenue for the second preceding year;

(b) "State adjusted gross income per return" shall be the total Missouri individual adjusted gross income divided by the total number of Missouri individual income tax returns, of those returns designating school districts, as reported by the state department of revenue for the second preceding year;

(c) "District income factor" shall be one plus thirty percent of the difference of the district income ratio minus one, except that the district income factor applied to the portion of the assessed valuation corresponding to any increase in assessed valuation above the assessed valuation of a district as of December 31, 1994, shall not exceed a value of one;

(d) "District income ratio" shall be the ratio of the district adjusted gross income per return divided by the state adjusted gross income per return;

(2) "Adjusted operating levy", the sum of tax rates for the current year for teachers' and incidental funds for a school district as reported to the proper officer of each county pursuant to section 164.011, RSMo;

(3) "Average daily attendance" means the quotient or the sum of the quotients obtained by dividing the total number of hours attended in a term by resident pupils between the ages of five and twenty-one by the actual number of hours school was in session in that term. To the average daily attendance of the following school term shall be added the full-time equivalent average daily attendance of summer school students. "Full-time equivalent average daily attendance of summer school students" shall be computed by dividing the total number of hours attended by all summer school pupils by the number of hours required in section 160.011, RSMo, in the school term. For purposes of determining average daily attendance under this subdivision, the term "resident pupil" shall include all children between the ages of five and twenty-one who are residents of the school district and who are attending kindergarten through grade twelve in such district. If a child is attending school in a district other than the district of residence and the child's parent is teaching in the school district or is a regular employee of the school district which the child is attending, then such child shall be considered a resident pupil

of the school district which the child is attending for such period of time when the district of residence is not otherwise liable for tuition. Average daily attendance for students below the age of five years for which a school district may receive state aid based on such attendance shall be computed as regular school term attendance unless otherwise provided by law;

(4) "Current operating costs", all expenditures for instruction and support services excluding capital outlay and debt service expenditures less the revenue from federal categorical sources, food service, student activities and payments from other districts;

(5) **"District equalized assessed valuation" shall be the average of the "equalized assessed valuation of the property of a school district" for the first and second preceding years;**

(6) "District's target rate", the district's average percentage of pupils from fiscal years 2000 to 2005 scoring at or above the proficiency level on the statewide assessment system on either mathematics or reading/communication arts plus one percentage point for each year after fiscal year 2005 except that the district's target rate shall not exceed the statewide average percentage from fiscal year 2000 to fiscal year 2005 scoring at or above the proficiency level on the statewide assessment system on either mathematics or reading/communication arts;

[(6)] (7) "District's tax rate ceiling", the highest tax rate ceiling in effect subsequent to the 1980 tax year or any subsequent year. Such tax rate ceiling shall not contain any tax levy for debt service;

[(7)] (8) "Eligible pupils" shall be the sum of the average daily attendance of the school term plus the product of two times the average daily attendance for summer school;

[(8)] (9) "Equalized assessed valuation of the property of a school district" **for a given year** shall be determined by multiplying the assessed valuation of the real property subclasses specified in section 137.115, RSMo, times the percent of true value as

adjusted by the department of elementary and secondary education to an equivalent sales ratio of thirty-three and one-third percent and dividing by either the percent of true value as determined by the state tax commission on or before March fifteenth preceding the fiscal year in which the valuation will be effective as adjusted by the department of elementary and secondary education to an equivalent sales ratio of thirty-three and one-third percent or the average percent of true value for the highest three of the last four years as determined and certified by the state tax commission, whichever is greater. To the equalized locally assessed valuation of each district shall be added the assessed valuation of tangible personal property. The assessed valuation of property which has previously been excluded from the tax rolls, which is being contested as not being taxable and which increases the total assessed valuation of the school district by fifty percent or more, shall not be included in the calculation of equalized assessed valuation under this subdivision;

[(9)] (10) "Fiscal instructional ratio of efficiency", the quotient of the sum of the district's current operating costs for all kindergarten through grade twelve direct instructional and direct pupil support service functions plus the costs of improvement of instruction and the cost of purchased services and supplies for operation of the facilities housing those programs, excluding student activities, divided by the sum of the district's current operating cost for kindergarten through grade twelve, plus all tuition revenue received from other districts minus all noncapital transportation costs;

[(10)] (11) "Free and reduced lunch eligible pupil count", the number of pupils eligible for free and reduced lunch on the last Wednesday in January for the preceding school year who were enrolled as students of the district, as approved by the department in accordance with applicable federal regulations;

[(11)] (12) "Guaranteed tax base" means the amount of equalized assessed valuation per eligible pupil guaranteed each school district by the state in the computation of state aid. To compute the guaranteed tax base, school districts shall be ranked annually from lowest to highest according to the amount of equalized assessed valuation per pupil.

The guaranteed tax base shall be based upon the amount of equalized assessed valuation per pupil of the school district in which the ninety-fifth percentile of the state aggregate number of pupils falls during the third **and fourth** preceding [year] **years** and shall be equal to the state average equalized assessed valuation per eligible pupil for the third **and fourth** preceding [year] **years** times two and one hundred and sixty-seven thousandths; except that, for the purposes of line 14(b) the guaranteed tax base shall be no greater than the guaranteed tax base used for the 1998-99 payment year. The average equalized assessed valuation per pupil shall be the quotient of the total equalized assessed valuation of the state divided by the number of eligible pupils;

[(12)] **(13)** "Membership" shall be the average of (1) the number of resident full-time students and the full-time equivalent number of part-time students who were enrolled in the public schools of the district on the last Wednesday in September of the previous year and who were in attendance one day or more during the preceding ten school days and (2) the number of resident full-time students and the full-time equivalent number of part-time students who were enrolled in the public schools of the district on the last Wednesday in January of the previous year and who were in attendance one day or more during the preceding ten school days, plus the full-time equivalent number of summer school pupils. "Full-time equivalent number of part-time students" is determined by dividing the total number of hours for which all part-time students are enrolled by the number of hours in the school term. "Full-time equivalent number of summer school pupils" is determined by dividing the total number of hours for which all summer school pupils were enrolled by the number of hours required pursuant to section 160.011, RSMo, in the school term. Only students eligible to be counted for average daily attendance shall be counted for membership;

[(13)] **(14)** "Operating levy for school purposes" for districts making transfers pursuant to subsection 4 of section 165.011, RSMo, based upon amounts multiplied by the guaranteed tax base, or making payments or expenditures related to obligations made pursuant to section 177.088, RSMo, or any combination of such transfers, payments or expenditures, means the sum of tax rates levied for teachers' and incidental funds plus

the operating levy or sales tax equivalent pursuant to section 162.1100, RSMo, of any transitional school district containing the school district, in the payment year, and, for other districts, means the sum of tax rates levied for incidental, teachers', debt service and capital projects funds plus the operating levy or sales tax equivalent pursuant to section 162.1100, RSMo, of any transitional school district containing the school district, with no more than eighteen cents of the sum levied in the debt service and capital projects funds. Any portion of the operating levy for school purposes levied in the debt service and capital projects funds in excess of a sum of ten cents must be authorized by a vote of the people, after August 28, 1998, approving an increase in the operating levy, or a full waiver of the rollback pursuant to section 164.013, RSMo, with a tax rate ceiling in excess of the minimum tax rate or an issuance of general obligation bond. The operating levy shall be, after all adjustments and equalization of the operating levy, no greater than a maximum value of four dollars and ninety-five cents per one hundred dollars assessed valuation, except that the operating levy shall be no greater than a maximum value of four dollars and seventy cents per one hundred dollars assessed valuation for the purposes of line 2 of subsection 6 of section 163.031. To equalize the operating levy, multiply the aggregate tax rates for teachers' and incidental funds by either the percent of true value, as determined by the state tax commission on or before March fifteenth preceding the fiscal year in which the evaluation will be effective as adjusted by the department of elementary and secondary education to an equivalent sales ratio of thirty-three and one-third percent, or the average percent of true value for the highest three of the last four years as determined and certified by the state tax commission, whichever is greater, and divide by the percent of true value as adjusted by the department of elementary and secondary education to an equivalent sales ratio of thirty-three and one-third percent, provided that for any district for which the equivalent sales ratio is equal to or greater than thirty-three and one-third percent, the equalized operating levy shall be the adjusted operating levy. For any county in which the equivalent sales ratio is less than thirty-one and two-thirds percent, the state tax commission shall conduct a second study in that county and shall use a sample consisting of the parcels used as a sample in the original study combined with an equal

number of newly selected parcels. If the new ratio is higher than the original ratio provided by this subdivision, the new ratio shall be used for the purposes of this subdivision and for determining equalized assessed valuation pursuant to subdivision ~~[(8)]~~ **(9)** of this section. For the purposes of calculating state aid pursuant to section 163.031, for any district which has not decreased its tax rate from the previous year amount due to an increased amount of a voluntary tax rate rollback, the tax rate used to determine a district's entitlement shall be adjusted so that any decrease in the entitlement due to a decrease in the tax rate resulting from the reassessment shall equal the decrease in the deduction for the assessed valuation of the district as a result of the change in the tax rate due to reassessment. The tax rate adjustments required under this subdivision due to reassessment shall be cumulative and shall be applied each year to determine the tax rate used to calculate the entitlement;

~~[(14)]~~ **(15)** "School purposes" pertains to teachers' and incidental funds;

~~[(15)]~~ **(16)** "Teacher" means any teacher, teacher-secretary, substitute teacher, supervisor, principal, supervising principal, superintendent or assistant superintendent, school nurse, social worker, counselor or librarian who shall, regularly, teach or be employed for no higher than grade twelve more than one-half time in the public schools and who is certified under the laws governing the certification of teachers in Missouri.

163.036. 1. In computing the amount of state aid a school district is entitled to receive under section 163.031, a school district may use an estimate of the number of eligible pupils for the ensuing year, the number of eligible pupils for the immediately preceding year or the number of eligible pupils for the second preceding school year, whichever is greater. Except as otherwise provided in subsection 3 of this section, any error made in the apportionment of state aid because of a difference between the actual number of eligible pupils and the estimated number of eligible pupils shall be corrected as provided in section 163.091, except that if the amount paid to a district estimating eligible pupils exceeds the amount to which the district was actually entitled by more than five percent,

interest at the rate of six percent shall be charged on the excess and shall be added to the amount to be deducted from the district's apportionment the next succeeding year.

2. Notwithstanding the provisions of subsection 1 of this section or any other provision of law, the state board of education shall make an adjustment for the immediately preceding year for any increase in the actual number of eligible pupils above the number on which the state aid in section 163.031 was calculated. Said adjustment shall be made in the manner providing for correction of errors under subsection 1 of this section.

3. (1) For any district which has, for at least five years immediately preceding the year in which the error is discovered, adopted a calendar for the school term in which elementary schools are in session for twelve months of each calendar year, any error made in the apportionment of state aid to such district because of a difference between the actual number of eligible pupils and the estimated number of eligible pupils shall be corrected as provided in section 163.091 and subsection 1 of this section, except that if the amount paid exceeds the amount to which the district was actually entitled by more than five percent and the district provides written application to the state board requesting that the deductions be made pursuant to subdivision (2) of this subsection, then the amounts shall be deducted pursuant to subdivision (2) of this subsection.

(2) For deductions made pursuant to this subdivision, interest at the rate of six percent shall be charged on the excess and shall be included in the amount deducted and the total amount of such excess plus accrued interest shall be deducted from the district's apportionment in equal monthly amounts beginning with the succeeding school year and extending for a period of months specified by the district in its written request and no longer than sixty months.

4. For the purposes of distribution of state school aid pursuant to section 163.031, a school district may elect to use the district's equalized assessed valuation for the preceding year, or an estimate of the current year's assessed valuation if the current year's equalized assessed valuation is estimated to be more than ten percent less than

the district's equalized assessed valuation for the preceding year. A district shall give prior notice to the department of its intention to use the current year's assessed valuation pursuant to this subsection. Any error made in the apportionment of state aid because of a difference between the actual equalized assessed valuation for the current year and the estimated equalized assessed valuation for the current year shall be corrected as provided in section 163.091, except that if the amount paid to a district estimating current equalized assessed valuation exceeds the amount to which the district was actually entitled, interest at the rate of six percent shall be charged on the excess and shall be added to the amount to be deducted from the district's apportionment the next succeeding year.

5. For the purposes of distribution of state school aid pursuant to section 163.031, a school district with ten percent or more of its assessed valuation that is owned by one person or corporation as commercial or personal property who is delinquent in a property tax payment may elect, after receiving notice from the county clerk on or before March fifteenth, except in the year enacted, that more than ten percent of its current taxes due the preceding December thirty-first by a single property owner are delinquent, to use on line 2 of the state aid formula the district's equalized assessed valuation for the preceding year or the actual assessed valuation of the year for which the taxes are delinquent less the assessed valuation of property for which the current year's property tax is delinquent. To qualify for use of the actual assessed valuation of the year for which the taxes are delinquent less the assessed valuation of property for which the current year's property tax is delinquent, a district must notify the department of elementary and secondary education on or before April first, except in the year enacted, of the current year amount of delinquent taxes, the assessed valuation of such property for which delinquent taxes are owed and the total assessed valuation of the district for the year in which the taxes were due but not paid. Any district giving such notice to the department of elementary and secondary education shall present verification of the accuracy of such notice obtained from the clerk of the county levying delinquent taxes. When any of the delinquent taxes identified by such notice are paid during a four year period following the due date, the county clerk shall give notice to the

district and the department of elementary and secondary education, and state aid paid to the district shall be reduced by an amount equal to the delinquent taxes received plus interest. The reduction in state aid shall occur over a period not to exceed five years and the interest rate on excess state aid not refunded shall be six percent annually.

6. If a district receives state aid based on equalized assessed valuation as determined by subsection 5 of this section and if prior to such notice the district was paid state aid pursuant to subdivision (2) of subsection 5 of section 163.031, the amount of state aid paid during the year of such notice and the first year following shall equal the sum of state aid paid pursuant to line 1 minus line 10 as defined in subsections 1, 2, 3 and 6 of section 163.031 plus the difference between the state aid amount being paid after such notice minus the amount of state aid the district would have received pursuant to line 1 minus line 10 as defined in subsections 1, 2, 3 and 6 of section 163.031 before such notice. To be eligible to receive state aid based on this provision the district must levy during the first year following such notice at least the maximum levy permitted school districts by article X, section 11(b) of the Missouri Constitution and have a voluntary rollback of its tax rate which is no greater than one cent per one hundred dollars assessed valuation.

166.260. There is hereby created the "Children At-Risk in Education Program" which shall be administered by the commissioner of education. The program shall be funded by moneys provided to school districts pursuant to line 14 of subsection 6 of section 163.031, RSMo, and used solely as determined by local boards of education for: reductions of class size in schools containing high concentrations of children who are least advantaged or who have specially identified educational needs according to rule and regulation of the state board of education; or the following:

- (1) The program of half-day instruction for developmentally delayed and at-risk children established pursuant to section 167.260, RSMo;
- (2) The program to provide teacher assistants in grades kindergarten through three established pursuant to section 167.263, RSMo;

(3) The program of family literacy for children and families of children at risk of dropping out of school pursuant to section 160.531, RSMo;

[(3)] **(4)** The program to provide guidance counselors in grades kindergarten through nine established pursuant to section 167.265, RSMo;

[(4)] **(5)** The programs for pupils at risk of becoming high school dropouts established pursuant to section 167.270, RSMo, including specialized courses of instruction, alternative education programs for pregnant teens and teen mothers and supplemental services for teen mothers;

[(5)] **(6)** The program of support services to pupils identified as having a high risk of dropping out of school established pursuant to section 167.280, RSMo;

[(6)] **(7)** The program of professional development committees for in-service training on teaching children identified as at risk of failing in school pursuant to section 168.400, RSMo;

[(7)] **(8)** A program to contract for mental health services to meet the needs of children who are identified as being at risk of failing school as a result of emotional or environmental factors. Eligible contractors shall be approved by the department of mental health;

[(8)] **(9)** The program of special education and other special services for at-risk and handicapped children in grades kindergarten through third grade emphasizing prevention and early intervention, rather than remediation, known as the "Success for All Program";

[(9)] **(10)** Paying for building site operating costs in the proportion that the free and reduced-price meal eligible student count is to the total enrollment in that building; and

[(10)] **(11)** Other programs as approved by the commissioner of education that are exclusively targeted to provide educational services for students who are least advantaged or who have specially identified educational needs.

168.400. 1. Sections 168.400 to 168.415 shall be known and may be cited as the "Missouri Professional Teacher and Administrator Act". This section shall become effective September 1, 1988, and shall establish programs for the following public school personnel:

- (1) The preservice teacher or student in training;
- (2) The beginning teacher;
- (3) The practicing teacher; and
- (4) The administrator.

2. Preservice teacher programs established under this section shall include, but need not be limited to, the following provisions:

- (1) A program of entry-level testing of all prospective teacher education students shall be established at all colleges and universities offering approved teacher education programs and, with the advice of the advisory council as provided in section 168.015, shall be administered by the commissioner of education, who shall cause the department of elementary and secondary education to develop or select such tests to establish abilities necessary to receive a satisfactory rating, and to establish procedures for the administering of the test;
- (2) The entry-level tests developed under this subsection shall include, but need not be limited to, an examination of basic oral and written communication skills and of basic mathematics skills, and may include both oral and written examinations;

(3) Each prospective teacher education student shall be required to obtain a satisfactory rating prior to admission into the approved teacher education program;

(4) The department of elementary and secondary education, with the advice of the advisory council as provided in section 168.015, shall establish and monitor exit requirements from approved teacher education programs which shall be met by all preservice teacher education students seeking certification in Missouri, and specific criteria for a preservice teacher assessment that all candidates for certification shall meet. The preservice teacher assessment established under this subdivision shall include, but need not be limited to, classroom achievement, practice teaching evaluation and observation, successful participation in assessment centers, interviews, tests and other evaluation measures. **The department of elementary and secondary education shall promulgate rules to allow all preservice teacher education students who have been employed for at least two years as teacher assistants to utilize their teacher assistant experience to bypass the practice teaching evaluation and observation process. These rules shall allow the certified teacher working with the teacher assistant to observe and evaluate the teacher assistants practice teaching. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo.** The preservice teacher assessment shall be reviewed by the certifying authority prior to issuance of a certificate. An unsatisfactory assessment shall result in the nonissuance of a certificate. Persons who are aggrieved by the nonissuance of a certificate may appeal such nonissuance in the manner provided in section 168.071. Any costs associated with the entry-level tests or the exit requirements established under this subsection shall be borne by each institution and costs defrayal included in the incidental fees charged to the student.

3. Each approved teacher education program shall require the faculty teaching preservice teacher education courses to further their professional development through direct personal involvement in the public schools in grades kindergarten through twelve on a periodic basis. As used in this subsection, the term "faculty" shall include, but need

not be limited to, full- and part-time classroom instructors, and supervisors of practice teaching at institutions offering an approved teacher education program.

4. Beginning teacher assistance programs established under this section shall include, but need not be limited to, the following provisions:

(1) Such programs shall require each school district to provide a plan of professional development for the first two years of teaching for any teacher who does not have prior teaching experience. The professional development plan shall include assistance from a professional development committee, which is hereby established in each school district, which committee shall work with beginning teachers and experienced teachers in identifying instructional concerns and remedies; serve as a confidential consultant upon a teacher's request; assess faculty needs and develop in-service opportunities for school staff; and present to the proper authority faculty suggestions, ideas and recommendations pertaining to classroom instruction within the school district. The members of each professional development committee shall be selected by the teachers employed by the school district in question. The professional development plan may include guidance from a district-designated faculty member employed at a grade level comparable to the instructional grade level of the beginning teacher, and such other forms of assistance which the school district may choose to offer. The professional development committee may apply to the state board of education for a grant, which shall be in addition to any state aid provided to the committee for activities identified in this subdivision. The grant thus awarded shall be used by the committee to provide in-service training to the teachers of the district on teaching children identified as at risk of failing in school as defined in section 167.273. The department of elementary and secondary education shall provide resource materials and assist the committee if such assistance is requested;

(2) Such programs shall include assistance from the teacher education program which provided the teacher's training if such training was provided in a Missouri college or

university. Such assistance from the college or university may include retraining, internships, counseling, and in-service training.

5. The practicing teacher assistance programs established under this section shall include, but need not be limited to, programs of professional development and improvement as provided for experienced teachers by the professional development committee established under subsection 4 of this section, and in-service opportunities as provided by the local school district for all practicing teachers.

6. (1) The administrator assistance programs established under this section shall include, but shall not be limited to, programs of professional development and improvement for superintendents, principals, assistant principals, and other school district personnel charged with administrative duties.

(2) Establishment of programs by local districts and organizations for the training of school board members are encouraged and recommended.

170.014. 1. This section shall be known as the "Reading Instruction Act" and is enacted to ensure that all public schools establish reading programs in kindergarten through grade three based in scientific research. Such programs shall include the essential components of phonemic awareness, phonics, fluency, vocabulary, and comprehension, and all new teachers who teach reading in kindergarten through grade three shall receive adequate training in these areas.

2. The program described in subsection 1 of this section may include "explicit systematic phonics", which, for the purposes of this section, shall mean the methodology of pronouncing and reading words by learning the phonetic sound association of individual letters, letter groups, and syllables, and the principles governing these associations.

3. Every public school in the state shall offer a reading program as described in subsection 1 of this section for kindergarten through grade three.

